

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should consult your broker, bank manager, solicitor, accountant or other independent financial adviser authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

This Document, which has been drawn up in accordance with the rules of AIM, has been issued in connection with the application for admission to trading on AIM of the issued Ordinary Shares. This Document does not constitute a prospectus for the purposes of the Public Offers of Securities Regulations 1995 (as amended) (the "POS Regulations") and a copy has not been delivered to the Registrar of Companies in England and Wales in accordance with regulation 4(2) of the POS Regulations. This Document does not constitute an offer or invitation to purchase any securities.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States of America, Canada, Japan or the Republic of Ireland. Accordingly, subject to certain exceptions, the Ordinary Shares may not, directly or indirectly, be offered or sold within the United States of America, Canada, Japan or the Republic of Ireland or to or for the account or benefit of any national resident or citizen of Canada, Japan or the Republic of Ireland or any person located in the United States. This document does not constitute an offer, or the solicitation of an offer to subscribe or buy, any of the Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction

London Stock Exchange plc has not itself examined or approved the contents of this document.

It is expected that Admission will become effective and dealings in the Ordinary Shares will commence on AIM on 21 March 2005.

AIM RESOURCES LIMITED



APPENDIX

FURTHER INFORMATION ON AIM RESOURCES LIMITED IN CONNECTION WITH ITS PROPOSED ADMISSION TO AIM

DIRECTORS DECLARATION

The Directors, whose names appear on page 1 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and makes no omission likely to affect the import of such information.

APPENDIX

This Appendix has been prepared in accordance with the Supplement to Schedule One of the AIM Rules published by London Stock Exchange plc. It includes, *inter alia*, all information that would otherwise have had to be included in the Company's Admission Document and which is not found in the current public disclosure record, or in current public disclosure filed by the directors and senior officers of the Company, all as filed with the Australian Stock Exchange (collectively, the "Public Record"). The Public Record can be accessed freely on www.asx.com.au. Additional information is available on the Company's web site on www.aimresources.com.au, where this document, which is dated 16 March 2005, will be available for at least one month from the date of Admission. This Appendix should be read in conjunction with the Form of Announcement to be made by an applicant at least 20 business days prior to Admission (the "Announcement Form") and the Public Record. This Appendix and the Announcement Form together constitute "the Announcement".

Grant Thornton Corporate Finance, a division of Grant Thornton UK LLP, which is authorised and regulated by the Financial Services Authority, is the Company's nominated adviser for the purposes of the AIM Rules and as such, its responsibilities are owed solely to London Stock Exchange plc and are not owed to the Company or any director or any other entity or person. Grant Thornton Corporate Finance will not be responsible to anyone other than the Company for providing the protection afforded to clients of Grant Thornton Corporate Finance or for advising any other person in connection with the Admission.

Hichens, Harrison & Co plc, which is regulated by The Financial Services Authority, is acting as broker to AIM Resources Limited. Neither Grant Thornton Corporate Finance nor Hichens, Harrison & Co plc is acting for any other person and will not be responsible to anyone other than AIM Resources Limited for providing the protections afforded to their respective clients or for providing advice in relation to the contents of this Announcement. No liability is accepted by Grant Thornton Corporate Finance nor Hichens, Harrison & Co plc for the accuracy of any information or opinions contained in, or for the omission of any material information from, this document for which the Directors are solely responsible.

DIRECTORS, SECRETARY AND ADVISERS

| | | |
|--|--|---|
| Directors | Marcel Christiaan Johannes Flory Scott Andrew Reid Lulu Louis Aaron Mnguni | Managing Director Executive Director Non-executive Director |
| | <i>all of whose business address is:</i> | |
| | Level 5 Angel Place 123 Pitt Street Sydney NSW 2000 Australia | |
| Company Secretary Registered Office | Wayne Kernaghan Level 5 Angel Place 123 Pitt Street Sydney NSW 2000 Australia | |
| Nominated Adviser | Grant Thornton Corporate Finance Grant Thornton House Melton Street Euston Square London NW1 2EP United Kingdom | |
| Broker | Hichens, Harrison & Co plc Bell Court House 11 Blomfield London EC2M 1LD United Kingdom | |
| Solicitors to the Company | <i>Australia</i> Peter Kemp Solicitors Suite 1, Level 7 60 Castlereagh Street Sydney NSW 2000 Australia | <i>South Africa</i> Taback and Associates (Pty) Ltd 26 Sturdee Avenue Rosebank Johannesburg 2196 South Africa |
| Auditors and Reporting Accountants | Alcock Davis Danieli Level 5, 285 George St Sydney NSW 2000 Australia | |
| Share Registry | <i>Australia</i> Security Transfers Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Australia | <i>UK</i> Computershare Investor Services Plc P O Box 82, The Pavilions Bridgwater Road Bristol, BS99 7NH United Kingdom |
| ASX Code | AIM | Ordinary Shares |
| AIM TIDM | AIMR | Ordinary Shares |

DEFINITIONS

| | |
|------------------------------------|--|
| “A\$” | Australian Dollars; |
| “Admission” | admission of the Ordinary Shares to trading on AIM in accordance with the AIM Rules; |
| “AIM” | the AIM market of London Stock Exchange plc; |
| “AIM Resources” or “the Company” | AIM Resources Limited; |
| “AIM Rules” | the rules of the AIM market as published by London Stock Exchange plc; |
| “ASX” | Australian Stock Exchange Limited; |
| “Board” or “Directors” | the directors of the Company whose names are set out on page 1 of this Appendix; |
| “Constitution” | the constitution of the Company at the date of this document; |
| “Corporations Act” | the Corporations Act 2001 of the Commonwealth of Australia; |
| “CREST” | the system for paperless settlement of trades and holdings of uncertificated shares administered by CRESTCo Limited in the United Kingdom; |
| “Grant Thornton Corporate Finance” | the corporate finance division of Grant Thornton UK LLP which is authorised and regulated by the Financial Services Authority to carry on investment business; |
| “Grant Thornton UK LLP” | a limited liability partnership with its registered office at Grant Thornton House, Melton Street, NW1 2EP and which is the UK member firm of Grant Thornton International; |
| “Grant Thornton International” | a non-practising, non-trading international umbrella organisation comprising a network of independent member and correspondent firms throughout the world. For the avoidance of doubt please be aware that Grant Thornton International is not an international/global/worldwide partnership either in relation to all of the members collectively or any two or more members together. In particular, neither Grant Thornton UK LLP nor Grant Thornton Corporate (NSW) Pty Ltd carries on business in the United States of America or Canada and are separately owned and managed businesses from entities known as Grant Thornton LLP carrying on business in those territories; |
| “Inferred Resource” | that part of a mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence; |
| “JORC Code” | the Australasian Code for Reporting of Mineral Resources and Ore Reserves issued by the Joint Ore Reserves Committee; |
| “Listing Rules” | the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX; |
| “Ordinary Shares” | fully paid ordinary shares of the Company; |
| “Placing” | a placing by Hichens, Harrison & Co plc as agent for the Company of 72,500,000 Ordinary Shares and at a placing price of 2p per share; |
| “Placing Agreement” | an agreement dated 16 March 2005 entered into between Hichens, Harrison & Co plc, the Directors and the Company relating to the Placing, details of the terms being set out in section 15; |
| “Placing Shares” | the 72,500,000 Ordinary Shares to be issued by the Company pursuant to the Placing at a price of 2p per share; |
| “PGM” | platinum group metals; |

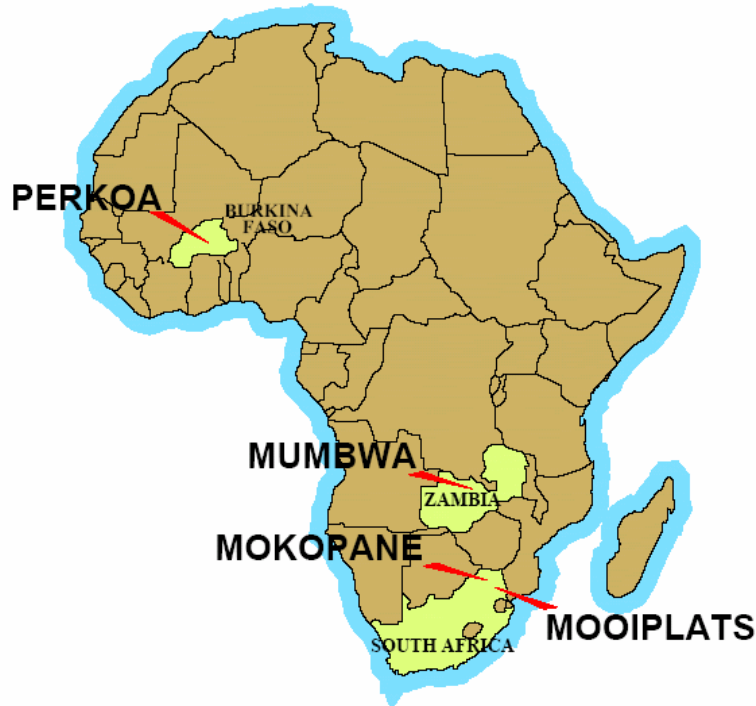
| | |
|--|---|
| “Shareholders” | holders of Ordinary Shares in the Company; |
| “UK” | the United Kingdom of Great Britain and Northern Ireland; and |
| “uncertificated” or “in uncertificated form” | recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and entitlement to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST. |

EXCHANGE RATE

The rate of exchange used for the purpose of this document is £1.00: A\$2.40, except where otherwise stated.

1. AIM RESOURCES

- 1.1 AIM Resources is an Australian listed minerals company focused on creating growth in shareholder value through the acquisition and responsible development of major mining ventures in Africa.



- 1.2 The Principal activities of the Company are as follows:

The Company has 100% interest in the high-grade Perkoa Zinc Project in Burkina Faso, West Africa. The Perkoa project area is located in central Burkina Faso, West Africa in the central part of the Boromo greenstone belt, which comprise volcanic and sedimentary rocks of the Lower Palaeozoic Birimian Supergroup. The Birimian greenstone belts are renowned for their occurrences of economic gold mineralisation, such as the world class Ashanti gold deposit in Ghana. The Perkoa deposit represents the only significant zinc-silver massive sulphide mineralisation that has been discovered in the Birimian Supergroup to date.

The Perkoa deposit was discovered in the late 1970s during a regional exploration program conducted by the United Nations Development Program (UNDP). Follow up exploration by several companies was conducted in the Perkoa area, including geochemical surveys, geophysical surveys, diamond drilling and resource estimation. A total of at least eighty diamond drill holes, totalling over 23,000m, have been drilled at the Perkoa deposit over a closely spaced grid (50m by 50m). A pre-feasibility study, undertaken by BHP-Billiton in June 1998, included a mine design with fifteen years production and indicated good metallurgical recoveries.

Snowden Mining Industry Consultants ("Snowden") completed a resource estimate in 2004 and reported the resource applying a 10% zinc grade cutoff (Table 1). This resource was classified as an Inferred Resource based on the guidelines of the 1999 JORC Code.

Table 1 Perkoa Zinc - Resource Tabulation (Snowden, 2004)

| Orebody | Tonnes (Mt) | Zinc Grade (%) | Silver Grade (g/t) |
|--------------|----------------|-------------------|-----------------------|
| Footwall | 4.98 | 18.8 | 34.6 |
| Hangingwall | 2.08 | 15.1 | 45.7 |
| Total | 7.06 | 17.7 | 37.8 |

The Perkoa Zinc project is at an advanced exploration stage and although of relatively small tonnage, is high grade. The project requires a validation and verification exercise to raise the confidence in the resource estimate prior to a bankable feasibility study planned for completion in June 2005. Snowden is of the opinion that the Perkoa Zinc project has the potential to be developed into a viable underground mine, subject to the favourable outcome of the bankable feasibility study.

In Zambia, AIM Resources has a joint venture with BHP Billiton to explore the Mumbwa Copper-Gold Project for iron oxide copper-gold deposits.

The Mumbwa licence covers approximately 9,000 square kilometers within the Central Province of Zambia, Central Africa.

During the 1990's, BHP-Billiton recognised that the geology of the Mumbwa area, in particular the western area, is prospective for Olympic Dam/Ernest Henry type iron-copper-gold deposits. These are large deposits, with Olympic Dam being ranked as the world's eighth largest copper orebody containing Ore Reserves estimated at 566 million tonnes of ore grading at 2% copper, 0.7% g/tonne gold and 0.6 kg/tonne uranium.

Numerous small occurrences of copper-gold have been found in the Mumbwa area, some of which are presently being mined on a small scale by various companies. The area around Mumbwa has been systematically explored since the 1950.s and the United Nations Development Program ("UNDP") flew an aeromagnetic and INPUT geophysical survey over the area in 1969.

In 1995, BHP-Billiton reprocessed the UNDP geophysical data and generated a number of exploration targets, that resulted in follow up work. In 1998, diamond drilling at Katonga South intersected low grade gold-copper bearing magnetite-pyrite breccias. This mineralisation supported BHP-Billiton's Olympic Dam exploration model and pointed to prospective areas further to the west at Kitumba. Limited exploration efforts at Kitumba culminated in drillhole intersections of sub-economic copper-gold mineralisation. According to BHP-Billiton, several consultants, familiar with the Olympic Dam style of mineralisation, have examined the Kitumba prospect and all have concluded that it can be regarded as an analogue to Olympic dam type mineralisation with good potential for producing a major ore body.

AIM Resources has completed an 8,725 line kilometre Falcon airborne gravity and aeromagnetic survey over a large area of the western Mumbwa area, which includes the Kitumba prospect.

- 1.3 AIM Resources also owns the JORC compliant 1.1 million ounce Platinum Group Metal (PGM) equivalent, Mokopane Platreef PGM Project and is awaiting Ministerial approval for the settlement of the acquisition of the Mooiplats PGM Project, a significant platinum asset containing a JORC compliant Inferred Resource of 10.2 million ounces of PGM in the ground. Both of these PGM projects are located in the Bushveld Igneous Complex in South Africa.

Current Trading and Prospects

- 1.4 The Company is active in pursuing opportunities in other parts of Africa, in line with its "African focused" resource strategy. Further information on the Company's projects is set out in the Company's web site www.aimresources.com.au.

Independent Geologist's Summary Report

- 1.5 An Independent Geologists Summary Report (Nov 2004) completed by Snowden Mining Industry Consultants reviewed the Company's projects and is available on the Company's web site www.aimresources.com.au.

Reasons for Admission

- 1.6 Being positioned in one of the world's largest investment markets will be of significant benefit to the Company by allowing it to access increasing international investor interest in the Company's projects. Specifically, it will enhance the Company's ability to finance the high grade Perkoa Zinc Project.

The Placing

- 1.7 The Company plans to increase its issued share capital by the issue of the Placing Shares as a result of the Placing.
- 1.8 Application will be made for the Ordinary Shares and the Placing Shares to be admitted to trading on AIM and for the Placing Shares to be admitted to trading on ASX. Admission is expected to become effective on 21 March 2005.
- 1.9 The Company announced today, 16 March 2005, that it has undertaken a placing to institutional and other investors in the UK to raise £1,450,000, before expenses. The proceeds being raised by the issue of the Placing Shares will be used to fund exploration of the Company's resource projects, including funding of a definitive feasibility study of the Perkoa Zinc project.
- 1.10 The Placing Shares have been allotted to applicants. 65,500,000 fully paid Ordinary Shares of the Placing Shares will be issued, conditional on Admission, pursuant to the Company's facility to issue up to 15 per cent. of its issued share capital without requiring shareholder approval. The balance of the Placing Shares, representing 7,000,000 fully paid Ordinary Shares, will be issued subject to shareholder approval at an extraordinary general meeting ("EGM") to be held as soon as possible and no later than 29 April 2005.

Dividend policy

- 1.11 The Directors do not anticipate declaring a dividend on the Company's Ordinary Shares in the foreseeable future.

2 STATUS

- 2.1 The Company was registered as an Australian Public Company, limited by shares, on 28 August 1986 as Hugo Mining NL. The Company changed its name to:
 - Maritana Gold NL on 10 February 1987;
 - Fraser Range Granite NL on 3 August 1992;
 - Fraser Range Granite Limited on 15 January 1999;
 - Fraser Range Holdings Limited on 19 January 1999; and to
 - AIM Resources Limited on 30 December 2002.

The Company's Australian Company Number (ACN) is 009 193 980.

- 2.2 The securities of AIM Resources are traded on the ASX and will continue to be so traded.
- 2.3 The Ordinary Shares have been traded on ASX since 12 November 1987.
- 2.4 The Company has adhered to all legal and regulatory requirements involved in having its securities traded on ASX.
- 2.5 The Company has complied with the continuous disclosure requirements of ASX. All significant changes in financial or trading position since the end of the financial year ended 30 June 2004 have been the subject of announcements available on the Company's and ASX web sites.

3 SHARE CAPITAL

- 3.1 The issued share capital of the Company as at the date of this document is 438,318,831 fully paid Ordinary Shares. Following the issue of the 65,500,000 Placing Shares that will be issued immediately prior to Admission, the total issued share capital will be 503,818,831 fully paid Ordinary Shares. Assuming shareholder approval is obtained at the EGM, to be held as soon as possible and no later than 29 April 2005, for the remaining 7,000,000 Placing Shares to be issued, the total issued share capital will be 510,818,831 fully paid Ordinary Shares. The Ordinary Shares have no nominal or par value and are recorded in the accounts of the Company at their issue price.
- 3.2 The Company does not have an authorised share capital. There is generally no limit in the Corporations Act or the Constitution on the power of the Directors to issue shares. However, subject to certain exceptions (including those in respect of pro rata issues and issues under employee schemes):
 - (a) Rule 7.1 of the ASX Listing Rules prohibits a company which is listed on the ASX from issuing shares or options representing more than 15% of its issued capital in any twelve month period without

- shareholder approval. Such shareholder approval requires an ordinary resolution passed by a simple majority; and
- (b) Chapter 6 of the Corporations Act forbids the acquisition of a “relevant interest” in voting shares in the Company (whether by transfer or issue) if, as a result, the “voting power” of the acquirer (or any other person) would increase from 20% or below to more than 20%.

3.3 In addition, the Company has on issue a number of Options to subscribe for fully paid Ordinary Shares. Details of the number and type of Options are set out in section 4 below.

3.4 Save as disclosed in this document:

- (a) no share of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
- (b) no share of the Company is under option or is agreed conditionally or unconditionally to be put under option;
- (c) no commission, discount, brokerage or other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the share of the Company;
- (d) no founder, management or deferred shares have been issued by the Company; and
- (e) no amount or benefit has been paid or is to be paid or given to any promoter of the Company.

3.5 Save in connection with the Placing, the warrants to be granted to Hichens, Harrison & Co plc as set out in paragraph 15.2 and the Options set out in section 4 below, no share capital or loan capital is proposed to be issued or is under option or agreed, conditionally or unconditionally to be put under option.

4 OPTIONS

4.1 As at the date of this document, 44,525,000 unlisted Options over Ordinary Shares have been issued as set out below.

| Security Description | Expiry date | Exercise price A\$ | Number |
|----------------------|-------------|-----------------------|------------|
| Unlisted options | 31 Dec 2006 | 0.03 | 6,650,000 |
| Unlisted options | 30 Sep 2006 | 0.04 | 11,875,000 |
| Unlisted options | 30 Jun 2006 | 0.06 | 8,000,000 |
| Unlisted options | 30 Jun 2006 | 0.10 | 18,000,000 |

5 SETTLEMENT AND CREST

5.1 UK Registered Shareholders and CREST

CREST is a computerised paperless share transfer and settlement system which allows shares to be held in electronic rather than paper form. Securities issued by non-UK registered companies, such as the Company, cannot be held or transferred in the CREST system. However to enable investors to settle such securities through the CREST system, a depository or custodian can hold the relevant securities and issue dematerialised depository interests (“Depository Interests”) representing the underlying securities which are held on trust for the holder of the Depository Interests.

With effect from Admission, it will be possible for CREST members to hold and transfer interests in the Ordinary Shares within CREST pursuant to a depository interest arrangement established by the Company with Computershare Investor Services plc. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

The Ordinary Shares will not themselves be admitted to CREST. Instead Computershare Investor Services plc, acting as depository, will issue Depository Interests in respect of the underlying Ordinary Shares. The Depository Interests will be independent securities constituted under English law which may be held or transferred through the CREST system. Depository Interests will have the same international security identification number (ISIN) as the underlying Ordinary Shares and will not require a separate listing on the London Stock Exchange. The Depository Interests will be created and issued pursuant to a deed poll entered into by Computershare Investor Services plc, which will govern the relationship between Computershare Investor Services plc, as depository,

and the holders of the Depository Interests. Application has been made for the Depository Interests in respect of the underlying Ordinary Shares to be admitted to CREST with effect from Admission.

5.2 Australian Registered Shareholders and CHESS

Settlement on the Australian register will continue to be conducted under the ASX's electronic CHESS system.

6 MARKETING AND TRADING OF SHARES

- 6.1 The Ordinary Shares are listed, and will continue to be listed, on ASX and the Company has made application for all of its issued share capital to be admitted to trading on AIM.
- 6.2 It is emphasised that, although the Ordinary Shares will trade on AIM, the Company will not be subject to takeover regulation in the UK. The City Code on Takeovers and Mergers will not apply to the Company. However, the Company is subject to provisions regulating takeovers under Australian law.

7 LOCK-IN ARRANGEMENTS

- 7.1 Each of the Directors who hold or have an interest in Ordinary Shares have entered into a share restriction agreement in respect of all of their shareholding.
- 7.2 Under the terms of the restriction agreement the relevant Directors have agreed not to dispose of any Ordinary Shares held by them for a period of 12 months following Admission.
- 7.3 The lock-in arrangements outlined above will apply in respect of 2,817,500 Ordinary shares representing 0.6% of the issued share capital of the Company on Admission.

8 CONSTITUTION

- 8.1 The Company's constitution is available on the Company's website, www.aimresources.com.au.

9 CORPORATE GOVERNANCE

- 9.1 The Listing Rules require disclosure of a company's main Corporate Governance practices and a detailed document on these practices is available on the Company's website www.aimresources.com.au. A summary of the main Corporate Governance practices that have been applied during the reporting period is set out in the Company's annual report, which is available on the Company's website www.aimresources.com.au.
- 9.2 The Company has adopted a share dealing code for the Directors and certain employees, which is appropriate for a company whose shares are admitted to trading on AIM and the Company will take all reasonable steps to ensure compliance by its Directors and any relevant employees.

10 DIRECTORS' INTERESTS

- 10.1 The interests of the Directors and the persons connected with them in the Ordinary Shares of the Company are set out as follows:

| Shareholder | No. of Ordinary Shares Owned | Percentage of Ordinary Shares % |
|--------------|------------------------------|------------------------------------|
| Marc Flory | 1,067,500 | 0.2 |
| Scott Reid | 1,750,000 | 0.4 |
| Louis Mnguni | NIL | NIL |

10.2 The interests of the Directors and the persons connected with them in the Options of the Company are as follows:

| Name | No. of Options Owned | Exercise Price | Exercise period |
|--------------|----------------------|----------------|-----------------|
| Marc Flory | 2,000,000 | 6 cents | 30/6/06 |
| | 6,000,000 | 10 cents | 30/6/06 |
| Scott Reid | 2,000,000 | 6 cents | 30/6/06 |
| Louis Mnguni | 2,000,000 | 10 cents | 30/6/06 |

10.3 All of the interests disclosed in 10.1 and 10.2 are held directly.

11 ADDITIONAL INFORMATION ON THE DIRECTORS

11.1 The directorships and partnerships of the Directors, other than of the Company and its subsidiaries and associated companies, held at present and within the five years preceding the date of this Announcement are as follows:

| Name | Current Directorships | Former Directorships (within past 5 years) |
|--------------|---|--|
| Marc Flory | - | Admiralty Resources NL BBH Holdings Australia Pty Ltd Sun Capital Group Ltd |
| Scott Reid | Andean Resources Ltd Discovery Nickel Ltd West African Exploration Services Pty Ltd | Admiralty Resources NL Harrington Capital International Ltd Harrington Resources Ltd Maboosa Pty Ltd Rimfire Pacific Mining NL St Andrew's College Foundation Ltd |
| Louis Mnguni | Sleek Garment International | - |

11.2 None of the Directors:

- (a) has any unspent convictions in relation to indictable offences; or
- (b) has been bankrupt or the subject of an individual voluntary arrangement, or has had a receiver appointed to the assets of such director; or
- (c) has been a director of any company which, while he was a director or within 12 months after he ceased to be a director, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangement with its creditors generally or with any class of its creditors; or
- (d) has been a partner of any partnership which, while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
- (e) has had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
- (f) has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

12 DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

12.1 The Company has entered into a remuneration agreement with each of the Directors in relation to their services as Directors. Under the terms of the agreement with Mr Marc Flory, Mr Flory will be paid consulting fees of A\$22,000 per month (exclusive of GST). Under the terms of the agreement with Mr Scott Reid, Mr Reid will be paid consulting fees of A\$17,000 per month (exclusive of GST). The Board has resolved to pay Mr Louis Mnguni Board Fees of A\$3,000 per month.

12.2 It is the intention of the Board to enter into formal service agreements with the Directors following a review of remuneration arrangements in April 2005 and for these agreements to include a minimum 6-month notice period for termination by both parties.

12.3 On the basis of the arrangements in force at the date of this document, it is estimated that the aggregate remuneration payable to the Directors for the year ending 30 June 2005 will be A\$468,000.

13 PRINCIPAL HOLDERS OF SECURITIES

13.1 The Company is aware of the following shareholdings which represent three per cent or more of the Company's issued and outstanding Ordinary Shares, as at 15 March 2005, being the latest practicable date prior to the issue of this Announcement:

| Shareholder | No. of Ordinary Shares Owned | Percentage of Ordinary Shares % |
|--------------------------|------------------------------|---------------------------------|
| McNeil Nominees Pty Ltd | 16,435,809 | 3.75 |
| Melbard Nominees Pty Ltd | 15,000,000 | 3.42 |

14 TAXATION

Summary of Taxation Implications

The paragraphs below comment on the general Australian and UK taxation position of individual and corporate resident and non-resident Shareholders in relation to the payment of dividends by the Company and the future disposal of their Ordinary Shares.

The following comments are intended as a general guide to the UK and Australian tax implications only. This should not be a substitute for individual advice from an appropriate professional adviser and all persons are strongly advised to obtain their own professional advice on the tax implications of acquiring, owning and disposing of Ordinary Shares based on their own specific circumstances.

The comments are based on the law and understanding of the practice of the tax authorities in the UK and Australia at the date of this document.

14.1 Australian Taxation

(a) Taxation of Future Share Disposals

Australian Resident Shareholders – General

Australian Shareholders who trade Ordinary Shares in the ordinary course of their business will hold their Ordinary Shares on revenue account. These Shareholders must include any profits made on the disposal of their Ordinary Shares in their assessable income. Shareholders who include profit made on the disposal of their Ordinary Shares in their assessable income are not assessed for tax under the capital gains tax provisions but under the ordinary income tax provisions.

All other Australian Shareholders will hold their Ordinary Shares on capital account. These Australian resident Shareholders must consider the impact of Australian capital gains tax rules on the disposal of their Ordinary Shares.

A Shareholder derives a capital gain on the disposal of Ordinary Shares where the consideration received on disposal exceeds the capital gains tax cost base of the Ordinary Shares.

A Shareholder derives a capital loss on the disposal of Ordinary Shares where the consideration received on disposal is less than the capital gains tax reduced cost base of the Ordinary Shares.

All capital gains and losses for the year are added together to produce a net capital position. A net capital gain for a financial year is included in the resident taxpayer's assessable income and is subject to taxation in Australia. A net capital loss may generally be carried forward to the next financial year to be deducted against future capital gains.

Non-Australian Resident Shareholders – General

Non-Australian resident Shareholders who hold Ordinary Shares on revenue account may need to include profits from the sale of Ordinary Shares in their assessable income. Applicable double taxation agreements may provide relief from Australian taxation.

Non-Australian resident Shareholders who do not hold Ordinary Shares on revenue account may be subject to Australian capital gains tax upon disposal of their Ordinary Shares. Non-Australian resident Shareholders will only be subject to Australia's capital gains tax on the disposal of Ordinary Shares if they and their associates held more than 10% of the issued capital of the Company at any time within five years of the disposal. These Shareholders may be able to obtain relief from Australian capital gains tax via the application of any relevant double taxation agreement.

Non-Australian resident Shareholders, who together with associates own less than 10% of the Company's issued capital, will not be subject to Australia's capital gains tax rules.

Capital Gains Tax Discount

Shareholders that are either individuals, trusts or complying superannuation funds (and in some cases a life insurance company) (whether resident or non-Australian resident) may be entitled to obtain a capital gains tax discount in relation to a net capital gain derived in a financial year. The "discount percentage" is 50% for an individual or a trust and 33 1/3% for complying superannuation entities. This capital gains tax discount is only available if the Shareholder has held the Ordinary Shares for at least twelve months. The concession is not available to a Shareholder that is a company.

(b) Dividends

Dividends are paid to Shareholders from the accounting profits of the Company. Australian resident Shareholders will receive credits for any Australian corporate tax that has been paid on these profits. These credits are known as "franking credits" and they represent the extent to which a dividend is "franked". It is possible for a dividend to be either fully or partly franked. Where a dividend is partly franked the franked portion is treated as fully franked and the remainder as being unfranked.

It should be noted that the definition of dividend for Australian tax purposes is broad and can include certain capital returns and off-market share buy-backs.

Australian Resident Shareholders – Individuals

Individual resident Shareholders will need to include dividends and the amount of any franking credits attached thereto in their assessable income in the period in which they receive the dividend. Individual Shareholders will receive tax credits for any franking credits attached to the dividend. Individual Shareholders may receive a tax refund if the franking credits attached to the dividend exceed their tax payable on the receipt of the dividend. Individuals will need to pay additional tax at their marginal rate of tax if the tax payable as a result of receiving the dividend exceeds the franking credits attached to the dividend.

Australian Resident Shareholders – Corporate

Dividends payable to Australian resident corporate Shareholders together with the amount of any franking credits attached thereto will be included in their assessable income in the year the dividend is paid. The corporate Shareholder will be entitled to a franking credit to the extent that the dividend is franked. This would result in the dividend being free of further company tax to the extent that it is franked. A fully franked dividend should effectively be free of tax to an Australian resident corporate Shareholder.

Non-Australian Resident Shareholders – General

Unfranked dividends payable to non-Australian resident Shareholders will be subject to withholding tax. Withholding tax is generally imposed at thirty per cent unless a Shareholder is a resident of a country with whom Australia has a double taxation agreement. The double taxation agreement may reduce the withholding tax rate to a range of between 5% and 15% depending on the country of residence of the non-Australian resident Shareholder.

Fully franked dividends are not subject to withholding tax. Non-Australian resident Shareholders may be assessable for tax on any such dividends in their country of residence. They should consider the impact of dividends under their domestic tax regime.

14.2 UK Taxation of UK Resident Shareholders

The following paragraphs broadly outline the taxation position of UK Shareholders in AIM Resources. The following paragraphs provide general advice only. Each Shareholder's specific circumstances will impact on their taxation position. All Shareholders are recommended to obtain their own taxation advice. In particular, all Shareholders, including UK tax resident Shareholders are advised to consider the potential impact of any relevant double tax agreements on their shareholding.

(a) Taxation of Chargeable Gains

UK Resident Shareholders

A disposal of Ordinary Shares or Depository Interests by a Shareholder who is (at any time in the relevant UK tax year) resident or ordinarily resident in the UK may give rise to a chargeable gain or allowable loss for the purpose of UK taxation of chargeable gains.

Non-UK Resident Shareholders

A Shareholder who is not resident in the UK for tax purposes but who carried on a trade, profession or vocation in the UK through a branch or agency and has used, held or acquired the Ordinary Shares or Depository Interests for the purpose of such trade, profession or vocation may also be subject to UK taxation on chargeable gains on a disposal of those Ordinary Shares or Depository Interests.

Special rules may apply to tax gains on disposals made by individuals at a time when they are temporarily not resident nor ordinarily resident in the UK.

(b) Dividends

The Company will not be required to withhold UK tax from dividends paid on the Ordinary Shares. Any holder of Ordinary Shares who is resident in the UK, or who carries on a trade, profession or vocation in the UK to which the Ordinary Shares are attributable, will generally be subject to UK tax on income in respect of any dividends paid on the Ordinary Shares. As these dividends will be foreign income for the purposes of UK taxation, they will be subject to a different tax regime from that applying to dividends received from UK companies. In particular, there will be no notional UK tax credit attaching to the dividends.

If the dividend has been subject to Australian dividend withholding tax ("WHT"), the amount of the dividend received plus the WHT will be included in the assessable income of the UK Shareholder. In these circumstances the Shareholder should be entitled to a credit for the WHT. The credit would be limited to the lesser of the WHT or the UK tax payable on the combined amount of the dividend plus WHT. If the WHT exceeds the UK tax payable on the dividend, the excess is neither creditable nor repayable.

UK Resident Company Shareholder

Dividends paid to a UK resident company Shareholder will be assessable income of the Shareholder. If the dividend has been subject to WHT it will be treated as described above.

If the UK resident company Shareholder is unable to use the foreign tax credits (for example because of tax losses) it may be able to claim a tax deduction for the foreign tax paid. Depending on the structure through which the investment is held, it may also be able to pool excess tax credits against other low taxed dividend income, although this is subject to detailed requirements outside the scope of this note.

Non Portfolio Interest

If a Shareholder which is a UK company has a non portfolio interest (at least 10 per cent) in the Company, it may also be entitled to a credit for Australian company tax paid on the underlying profits. However, the credit would be limited to the lesser of (a) the underlying tax and the WHT taken together and (b) an amount equal to the rate of UK corporation tax payable by the Company multiplied by the dividend received.

(c) Inheritance Tax

If any Shareholder is regarded as domiciled in the UK for inheritance tax purposes, inheritance tax may be payable in respect of the Ordinary Shares on the death of the Shareholder or on any gift of the Ordinary Shares.

In the case of a Shareholder who is not regarded as domiciled in the UK for these purposes, no such UK inheritance tax will be payable if the Ordinary Shares or Depository Interests are not situated in the UK for inheritance tax purposes. The Ordinary Shares or Depository Interests must be regarded as situated in the UK for these purposes if they are registered on the Company's UK branch register.

(d) UK Stamp Duty and Stamp Duty Reserve Tax

The following comments do not apply to Ordinary Shares issued or transferred into depository or clearance arrangements, to which special rules apply.

There is generally no liability to UK stamp duty or stamp duty reserve tax ("SDRT") on the issue of Ordinary Shares by AIM Resources.

Any agreement to transfer, or any transfer of, Ordinary Shares registered on a UK branch register will generally be subject to UK stamp duty or SDRT at the rate of 0.5 per cent of the consideration for the transfer.

However UK stamp duty may potentially arise on transfers of other Ordinary Shares depending on the circumstances, such as whether the transfer is executed in the UK.

Any person who is in any doubt as to his tax position or is subject to taxation in a jurisdiction other than Australia or the UK should consult an appropriate professional adviser.

15 MATERIAL CONTRACTS

In addition to the agreements summarised in the Public Record (which can be found at www.aimresources.com.au), the following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company or its subsidiaries during the two years immediately preceding the date of this Announcement and are, or may be, material as of the date of this Announcement:

- 15.1 An engagement letter dated 7 June 2004 between the Company and Grant Thornton Corporate Finance under which Grant Thornton Corporate Finance has agreed to act for the Company in relation to the application for Admission and as the Company's nominated adviser unless terminated by either party on 7 days prior written notice. The engagement letter contains an indemnity from the Company in respect of the services provided by Grant Thornton Corporate Finance.
- 15.2 An engagement letter dated 2 December 2004 between the Company and Hichens, Harrison & Co plc under which Hichens, Harrison & Co plc has agreed to act as the Company's broker in relation to the application for Admission. The Company has agreed to pay Hichens, Harrison & Co plc a fee of £20,000 (plus VAT if applicable) in relation to the application for Admission, a commission of 5% based on the value of shares placed under the Placing and the granting of £35,000 of warrants at the issue price.
- 15.3 The Company and Directors have entered into an agreement with Hichens, Harrison & Co plc dated 16 March 2005, pursuant to which Hichens, Harrison & Co plc agreed to use its reasonable endeavours to procure placees, as agent of the Company, to raise up to £1,450,000 (gross). The agreement includes certain conditions, inter alia, Admission taking place not later than 8.00 a.m. on 21 March 2005 or such later date as is agreed in writing between the Company and Hichens, Harrison & Co plc, but in any event not later than 31 March 2005. In consideration for its services in connection with any Placing, and subject to it becoming unconditional, the Company has agreed to pay Hichens, Harrison & Co plc in accordance with paragraph 15.2.
- 15.4 The Placing Agreement contains warranties given by the Company and the Directors in favour of Hichens, Harrison & Co plc as to, inter alia, the accuracy of the information contained in this document and other matters relating to the Company and its business. In addition, the Company and the Directors have given an indemnity to Hichens, Harrison & Co plc in respect of certain liabilities it may incur in respect of any Placing.
- 15.5 Hichens, Harrison & Co plc will be entitled to terminate the Placing Agreement in specified circumstances prior to Admission, principally in the event of a material breach of the Placing Agreement or any of the warranties contained in it.
- 15.6 The Directors have undertaken to the Company and to Hichens, Harrison & Co plc not to dispose of the ordinary Shares held by each of them at or following Admission at any time up to the first anniversary of Admission.

16 LITIGATION

- 16.1 There are no legal or arbitration proceedings which are active, pending or threatened against, or being brought by, the Company or any Shareholder of the Group which are having or may have a significant effect on the Company's or the Group's financial position.

17 WORKING CAPITAL

- 17.1 The Directors have no reason to believe that the Company's working capital will be insufficient for at least twelve months from the date of Admission.

18 GENERAL

- 18.1 Other than those disclosed in this Appendix or as otherwise disclosed on the Public Record, there have been no interruptions in the Company's business which may have or have had in the last twelve months a significant effect on the Company's financial position.
- 18.2 Other than those disclosed in this Appendix or as otherwise disclosed on the Public Record, there are no significant investments by the Company under active consideration.
- 18.3 Other than as disclosed in this Appendix or as otherwise disclosed on the Public Record, the Directors are not aware of any exceptional factors which have influenced the Company's activities.
- 18.4 Other than as disclosed in this Appendix or as otherwise disclosed on the Public Record, there has been no significant change in the financial or trading position of the Company since 30 June 2004, being the date to which the last audited financial statements of the Company were published.
- 18.5 There are no persons (excluding professional advisers otherwise disclosed in this Announcement or in the Public Record and trade suppliers) who have received, directly or indirectly, from the Company within the 12 months preceding the date of this Announcement nor have they entered into contractual arrangements (not otherwise disclosed in this Announcement) to receive, directly or indirectly from the Company on or after Admission fees or securities in the Company or any other benefit, with a value of £10,000 or more at the time of Admission.
- 18.6 The Company's accounting reference date is 30 June.
- 18.7 Grant Thornton Corporate Finance has given and has not withdrawn its written consent to the inclusion in this Announcement of references to its name in the form and context in which it appears.
- 18.8 Hichens, Harrison & Co plc has given and has not withdrawn its written consent to the inclusion in this Announcement of references to its name in the form and context in which it appears.
- 18.9 The costs, charges and expenses payable by the Company in connection with or incidental to Admission, including registration and stock exchange fees, legal and accounting fees and expenses are estimated to amount to A\$360,000, (£150,000) excluding VAT and GST.

16 March 2005